

## Retail Accountability Program

### Changes and Guidance

The Tennessee General Assembly recently passed legislation (Public Chapter 342 (2015)) expanding the Department of Revenue's Retail Accountability Program. Originally enacted in 2012, this sales tax compliance program matches wholesaler reports of beer and cigarette purchases against sales tax returns filed by individual retailers, encouraging accuracy and honesty with regard to remitted sales tax. Public Chapter 342 builds upon the program's marked success by allowing the Commissioner to require wholesalers to report the sales of an expanded range of products, including food items and other types of tangible personal property.

Effective October 1, 2015, anyone who makes sales for resale of \$12,000 or more per year, as reported on Schedule A Line B of the State and Local Sales and Use Tax Return, and who sells items in the categories listed below to retailers that sell beer or tobacco products, must electronically file a report with the Department of these sales. These monthly sales reports must be submitted in the specified format found on the [Department's website](#).

Items sold in the following categories will need to be reported to the Department:

- Alternative Snacks
- Automotive Products
- Beer
- Candy
- Cigarettes & Other Tobacco Products
- Cold Dispensed Beverages
- Commissary & Other Packaged Products
- Edible Grocery
- Fluid Milk
- Foodservice Prepared On-Site
- Frozen Dispensed Beverages
- Frozen Foods
- Health and Beauty Care
- Hot Dispensed Beverages
- Ice Cream/Novelties
- Non-Edible Grocery
- Other Dairy and Deli
- Packaged Beverages,
- Packaged Bread
- Packaged Sweet Snacks
- Perishable Grocery
- Publications
- Salty Snacks

The Department originally requested these products to be reported by [National Association of Convenience Stores](#) (NACS) codes. However, in response to concerns raised by some wholesalers about using the NACS codes, we have amended the file layout to accept UPC codes, if a wholesaler cannot provide at least the main category NACS codes. If you do not use either of these two categorization methods, please contact the Department to discuss an alternative.

Each monthly information report will be due on the 25<sup>th</sup> of the month following the report period. The October sales information report is due November 25, 2015. Please contact us by email at [resale.data@tn.gov](mailto:resale.data@tn.gov) if you need to request additional time to submit your report. For additional information, please see the [Retail Accountability Program page](#).